



Senate Fiscal Agency
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**BILL ANALYSIS**

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Senate Bill 677 (Substitute S-3 as passed by the Senate)

Sponsor: Senator Ron Jelinek

Committee: Education

Date Completed: 5-13-04

RATIONALE

Schools with expanding enrollment often house students in modular classrooms, or "portables", for several years, until a new school is built or enrollment declines. Until 2002, the construction of school buildings, including portables, was regulated solely by Public Act 306 of 1937, and not by the Single State Construction Code Act, which governs all other construction in the State (except for that of State universities). In 2002, Public Act 628 amended Public Act 306 to require that all school buildings covered by bonds approved by the Department of Treasury after July 1, 2003, be constructed, remodeled, or reconstructed in compliance with the Single State Construction Code Act. This means that portables existing before July 2003 do not have to meet the new standards; but if a school wants to relocate a portable, use a portable for storage, or alter it, the portable must be inspected by the Department of Labor and Economic Growth, or DLEG (formerly the Department of Consumer and Industry Services) and be brought into compliance with the Single State Construction Code Act. Some districts report that the new regulations are costly and time-consuming to implement for structures they consider temporary. It has been suggested that DLEG promulgate standards for the relocation and reuse of portables, taking into account the nature of portables while still maintaining building safety.

CONTENT

The bill would amend Public Act 306 of 1937 to require the Director of the Department of Labor and Economic Growth to promulgate rules establishing standards and

requirements for the relocation and reuse of used modular classrooms. The rules would have to require an inspection of a relocated used modular classroom at its original location, at its new location, or at any location where repairs were made to the used modular classroom.

MCL 388.851

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The bill would strike a balance between school safety and common sense by requiring DLEG to write rules that applied particularly to the relocation and reuse of portables, rather than treating these modular units as if they were permanent school buildings. Since Public Act 628 of 2002 has been in effect, schools must comply with numerous standards for buildings they intend to use only temporarily. While it makes sense to require that new modulars meet certain standards, these criteria perhaps should not apply to a building that is otherwise sound but needs to be moved a few feet, or that is intended to be used for temporary storage of school equipment. Ideally, the new rules produced as a result of the bill would permit some leeway in the current construction standards, which can be very costly for schools to comply with for buildings they consider "affordable housing".

Many of the new standards under the Single State Construction Code Act, such as those

that apply to structural soundness and fire safety, clearly have human safety in mind and should be retained. In the past, portables could be resold a number of times, each time with a degraded level of quality, and never have to be inspected. A district could purchase a used portable that hid black mold, rotting beams, and electrical problems and then use it to house students. Now, any time a modular is relocated, it must be inspected for safety and compliance with Code standards, including those requiring that it have a foundation, meet fire safety criteria, and be connected to the appropriate utilities. The rules promulgated by DLEG should not compromise standards such as these or others that protect student safety. While the Department reports that it has already begun implementing more flexible standards for portables, the bill's requirement would allow all stakeholders--dealers and manufacturers of portables, school representatives, and DLEG--a seat at the table when the rules were discussed and finalized.

Legislative Analyst: Claire Layman

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.